

Form **8718**(Rev. January 2010)  
Department of the Treasury  
Internal Revenue Service**User Fee for Exempt Organization  
Determination Letter Request**▶ **Attach this form to determination letter application.**  
(Form 8718 is NOT a determination letter application.)For  
IRS  
Use  
Only

OMB No. 1545-1798

Control number \_\_\_\_\_

Amount paid \_\_\_\_\_

User fee screener \_\_\_\_\_

1 Name of organization

**Rightchange.com ll**

2 Employer Identification Number

**27****2531555****Caution.** Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

Fee

**3 Type of request****a** ☐ Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$400

**Note.** If you checked box 3a, you must complete the *Certification* below.**Certification**I certify that the annual gross receipts of \_\_\_\_\_  
name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶

Title ▶

**b** ☒ Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years ▶ \$850

**c** ☐ Group exemption letters

▶ \$3,000

**Instructions**

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2009-8; 2009-1 I.R.B. 229, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

**Where To File**

Send the determination letter application and Form 8718 to:

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

**Who Should File**

Organizations applying for federal income tax exemption, other than Form 1023 filers. Organizations submitting Form 1023 should refer to the instructions in that application package.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send this form to this address. Instead, see *Where To File* above.

Cat. No. 64728Z

Form **8718** (1-2010)

4101 Lake Boone Drive, Suite 300, Raleigh, NC 27607

PO Drawer 17803, Raleigh, NC 27610

919.781.4000 • 919.781.4865 • [www.wyrick.com](http://www.wyrick.com)

 **Wyrick Robbins**

Steven D. Simpson  
[ssimpson@wyrick.com](mailto:ssimpson@wyrick.com)

April 6, 2011

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

Re: Rightchange.com II  
EIN: 27-2531555  
Application for Recognition of Exemption Under Sections 501(a) and 501(c)(4) - Form 1024

Ladies and Gentlemen:

Enclosed is Form 1024, Application for Recognition of Exemption under Sections 501(a) and 501(c)(4) of the Internal Revenue Code of 1986 ("Code"), and supporting documentation (collectively the "Application"), filed on behalf of Rightchange.com II (the "Corporation"), consisting of the following:

1. Declaration of Fred Eshelman, President of the Corporation;
2. Form 8718, with \$850 user fee attached;
3. Form 2848, Power of Attorney and Declaration of Representative, naming Adam B. Snyder and me as attorneys for the Corporation for this application;
4. Form 1024;
5. Form 1024 Attachments 1-4;
6. Substitute Part III, Financial Data, for 2011 and 2012, financial projections;
7. Copy of Articles of Incorporation, as amended; and
8. Certificate of Effectiveness of Bylaws, and copy of Bylaws, as amended.

Internal Revenue Service

April 6, 2011

Page 2

The Corporation looks forward to the receipt of a favorable determination letter in due course that the Service recognizes the Corporation as a 501(c)(4) social welfare organization.

Please call me if you have any questions.

Very truly yours,

WYRICK ROBBINS YATES & PONTON LLP



Steven D. Simpson

Enclosures

cc: Ms. Paula Hopper (w/encls. by email)  
Rightchange.com II

**DECLARATION**

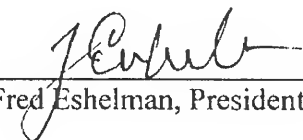
I, the undersigned President of Rightchange.com II ("Corporation"), do hereby declare under the penalties of perjury that I am authorized to sign this Application on behalf of the Corporation, and that I have examined this Application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct and complete.

I hereby certify that I am the President of the Corporation.

This the 6th day of April, 2011.

Respectfully submitted,

Rightchange.com II

By:   
Fred Eshelman, President

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 1**

Part II, Question 1. Narrative description of activities.

Rightchange.com II (“Corporation”) is a newly-organized North Carolina nonprofit corporation. The Corporation has filed IRS Form 1024, Application for Recognition of Exemption under §501(a), and related documentation (collectively, the “Application”). The Corporation seeks a favorable determination that the Service recognizes the Corporation as an organization exempt from federal income taxation under §501(c)(4) of the Internal Revenue Code of 1986, as amended (“Code”), as a social welfare organization.

The Corporation will primarily engage in educational activities which will promote the social welfare of the general public. The Corporation’s activities will educate the general public on subjects of importance to the general public, such as effective tax policy, tax reform, effective economic policies and governmental monetary policy. The Corporation’s primary purpose thus will be to educate the general public on these important matters. This is a proper exempt purpose for a social welfare organization. Regs. §1.501(c)(4)-1(a)(2); Regs. §1.501(c)(3)-1(c)(3).

The Corporation also intends to engage in so-called “issue advocacy” activities. Issue advocacy activities are activities conducted prior to or during political election campaigns which discuss issues of importance to voters in the campaign, but do not take a position in favor of or in opposition to any particular candidate. The Corporation may thus take a public stance on one side or the other of a particular issue in a political campaign, without necessarily endorsing or opposing a particular named candidate. For example, the Corporation may take the position that

economic growth would be promoted by lowering federal and state income tax rates. An issue advocacy advertisement might take this position, without either promoting or opposing a particular named candidate. Thus, it is the issue that that the Corporation would promote, rather than a particular candidate. This is a proper educational activity for social welfare organizations such as the Corporation.

The Corporation will also engage in what are referred to as “get out the vote” activities. This will consist of efforts to educate the general public about the importance of voting, without promoting or opposing any particular candidate. The Corporation will also encourage the general public to register to vote. This is also a proper activity for social welfare organizations such as the Corporation. See, e.g., Revenue Ruling 81-95, 1981-1 C.B. 332; Regs. §1. 501(c)(4)-1(a)(2)(ii). See also Code §4945(f); Regs. §53.4945-3(b)(1), (2).

The Corporation respectfully submits that the foregoing description of its proposed activities should be sufficient for the Service to issue a favorable determination that the Service recognizes the Corporation as an organization exempt from federal income taxation under §§501(a) and 501(c)(4) of the Code. We understand that the determination letter will be retroactive to the date of the Corporation’s inception, May 10, 2010. The Corporation looks forward to the receipt of a favorable determination letter in due course.

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 2**

Part II, Question 3. Directors and Officers.

The names, addresses and titles of the Corporation's officers and directors are as follows:

<u>Names</u>	<u>Addresses</u>
Fred Eshelman, President & Director	8300 Buck Crossing Drive Durham, North Carolina 27713
Fletcher Hartsell, Vice President & Director	8300 Buck Crossing Drive Durham, North Carolina 27713
Jeff Barnhart, Secretary/Treasurer & Director	8300 Buck Crossing Drive Durham, North Carolina 27713

All officers and directors serve as volunteers without compensation for their services, other than for reimbursement of their expenses incurred in connection with their services as officers and directors.

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 3**

Part II, Question 5. Related Organizations.

The Corporation is a tax-exempt affiliate of Rightchange.com, a §527 political committee, and Rightchange.com Political Action Committee, Inc., also a §527 political committee. It shares facilities with the related entities. The three entities have the same officers and directors.

Separate banking accounts are maintained, however, by each entity. Funds are thus not commingled. Separate accounting is maintained for each entity. Moreover, each entity files its own separate tax returns. Thus, the Corporation will file its own separate Form 990.



**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 4**

Part II, Question 16. Publications.

The Corporation does intend to publish pamphlets and brochures regarding candidates for elective federal office and other educational materials of interest to the general public. However, it has not yet published any such materials as of the date of the filing of this Application.

RIGHTCHANGE.COM II  
EIN: 27-2531555  
Form 1024  
Substitute Part III, Financial Data

I. Statement of Estimated Revenues and Expenses for Period Ending 12/31/11:

Estimated Revenues:

- A. Membership fees, gifts and grants
- B. Exempt Function Income
- C. Interest Income

Total Revenues

Estimated Expenses:

- A. Program Service Expenses
- B. Administrative/General Expenses

Total Expenses

Excess of Revenues over Expenses

II. Estimated Balance Sheet for Period Beginning 1/1/11 and Ending 12/31/11:

	<u>Beginning 1/1/11</u>	<u>Ending 12/31/11</u>
Assets:		
A. Cash	\$	
B. Accounts Receivable	\$	
Total Assets	\$	
Liabilities		
A. Accounts Payable	\$	
B. Loans Payable	\$	
Total Liabilities	\$	
Fund Balance	\$	
Total Liabilities and Fund Balance:	\$	

RIGHTCHANGE.COM II  
EIN: 27-2531555  
Form 1024  
Substitute Part III, Financial Data

I. Statement of Estimated Revenues and Expenses for Period Ending 12/31/12:

Estimated Revenues:

- A. Membership fees, gifts and grants
- B. Exempt Function Income
- C. Interest Income

Total Revenues

Estimated Expenses:

- A. Program Service Expenses
- B. Administrative/General Expenses

Total Expenses

Excess of Revenues over Expenses

II. Estimated Balance Sheet for Period Beginning 1/1/12 and Ending 12/31/12:

	<u>Beginning 1/1/12</u>	<u>Ending 12/31/12</u>
Assets:		
A. Cash	\$	
B. Accounts Receivable	\$	
Total Assets	\$	
Liabilities		
A. Accounts Payable	\$	
B. Loans Payable	\$	
Total Liabilities	\$	
Fund Balance	\$	
Total Liabilities and Fund Balance:	\$	



# NORTH CAROLINA

## Department of The Secretary of State

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To all whom these presents shall come, Greetings:

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF AMENDMENT

OF

### RIGHTCHANGE.COM II

the original of which was filed in this office on the 4th day of April, 2011.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 4th day of April, 2011.

*Elaine F. Marshall*

Secretary of State

SOSID: 1148069  
Date Filed: 4/4/2011 1:45:00 PM  
Elaine F. Marshall  
North Carolina Secretary of State  
C201109400285

## RIGHTCHANGE.COM II

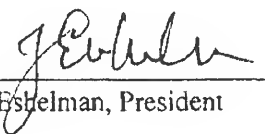
## ARTICLES OF AMENDMENT

Pursuant to §55A-10-05 of the General Statutes of North Carolina, the undersigned corporation hereby submits the following Articles of Amendment for the purpose of amending its Articles of Incorporation.

1. The name of the corporation is Rightchange.com II (the "Corporation").
2. The text of each amendment adopted is as follows:  
  
Section 3 is deleted in its entirety and replaced with the following text:  
  
3. The Corporation shall have members.
3. The date of adoption of the amendment was March 25,, 2011.
4. The amendment was approved by a sufficient vote of the board of directors or incorporators, and member approval was not required because the Corporation does not have members.
5. These articles will be effective upon filing,

Dated this the 25th day of March, 2011.

## RIGHTCHANGE.COM II

By:   
Fred Eshelman, President



# NORTH CAROLINA

## Department of The Secretary of State

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To all whom these presents shall come, Greetings:

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF INCORPORATION

OF

**RIGHTCHANGE.COM II**

the original of which was filed in this office on the 10th day of May, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 10th day of May, 2010.

*Elaine F. Marshall*

Secretary of State



ARTICLES OF INCORPORATION OF  
RIGHTCHANGE.COM  
A NONPROFIT CORPORATION

I, the undersigned natural person of the age of eighteen (18) years or more, acting as incorporator for the purpose of creating a nonprofit corporation under the laws of the State of North Carolina as contained in Chapter 55A of the General Statutes of North Carolina entitled "Nonprofit Corporation Act" and the several amendments thereto, and Chapter 55D of the General Statutes of North Carolina captioned "Filings, Names and Registered Agents for Corporations, Nonprofit Corporations and Partnerships", do hereby set forth:

1. The name of the corporation is Rightchange.com<sup>II</sup> ("Corporation").
2. The period of duration of the Corporation shall be perpetual.
3. The Corporation shall not have members.
4. The address of the initial registered office of the Corporation is: 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713. The name of the initial registered agent of the Corporation at the above address is Paula Hopper, a resident of North Carolina. The address of the principal office of the Corporation is 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713.

5. The specific and primary purposes for which the Corporation is formed and for which it shall be exclusively administered and operated are to promote the social welfare and receive, administer and expend funds to promote civic betterments and social improvements in connection with the following:

- A. To educate the general public about the important public need for research into effective economic, tax and monetary policies to which the federal and state governments should adhere;

B. To promote the health and social welfare of the citizens and residents of North Carolina and other states by educating the general public with respect to the many positive effects and the beneficial impact upon society as a whole that would be derived from the adoption of effective economic, tax and monetary policies by the federal and state governments;

C. To promote and advertise the benefits of effective economic, tax and monetary policies upon the health, welfare and general well-being of the citizens and residents of North Carolina; and elsewhere; and

D. To engage in any and all lawful activities incidental to the foregoing purposes except as restricted herein.

6. To accomplish the foregoing social welfare purposes, and for no other purpose or purposes, this Corporation shall have the power:

A. To sue and be sued, complain and defend, in its corporate name;

B. To purchase, take, receive, lease, take by gift, devise, or bequest, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with real or personal property, or any interest therein, wherever situated;

C. To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets;

D. To acquire, by purchase, subscription, gift, will, or otherwise, and to own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares and other interests in, or obligations of, domestic or foreign business corporations, associations, partnerships or individuals, or



direct or indirect obligations of the United States or of any government, state, territory, governmental district, or any municipality or of any instrumentality thereof;

E. To make contracts and incur liabilities, borrow money, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of or other forms of security upon all or any of its property, franchises, and income;

F. To lend money for its corporate purposes, invest its funds from time to time, and take and hold real and personal property as security for the payment of funds so loaned or invested;

G. To have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized; and

H. To make contributions or gifts to other corporations (foreign and domestic), trusts, community chests, funds, foundations, or associations organized and operated exclusively for religious, charitable, literary, scientific or educational, cultural or artistic purposes, or for the public welfare, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any person or individual, when such contributions or gifts are authorized or approved by its Board of Directors ("Board").

7. The number of persons constituting the Board shall be specified in the Corporation's Bylaws from time to time, but shall not be less than three (3). The initial Board shall consist of three (3) persons. The names of the persons who are to serve as the initial directors are:

Names

Fred Eshelman

Fletcher Hartsell

Jeff Barnhart

Each member of the initial Board shall serve until the first meeting of the Board of the Corporation or until their successors are elected and qualified in the manner and for the time provided in the Bylaws of the Corporation. No director shall be personally liable for monetary damages arising out of an action whether by or in the right of the Corporation or otherwise for breach of any duty as a director, except as otherwise provided by law. Directors and officers of the Corporation shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of his service as such. All directors and officers shall be immune from personal liability for monetary damages for breach of any duty as director or officer to the fullest extent allowed by law, including that immunity set forth in N.C. Gen. Stat. §§55A-2-02(b)(4) and 55A-8-60, or any successor provisions of law.

8. The selection and terms to be served by the members of the Board and the regulation of the internal affairs of the Corporation shall be as provided for in the Corporation's Bylaws.

9. The Corporation shall have the full power to conduct its affairs, carry on its operations, and have offices and exercise the powers granted by Chapter 55A of the North Carolina General Statutes anywhere in the world; and authority to do any other act or thing incidental to or connected with the foregoing purposes and advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers, except as permitted by the provisions of Chapter 55A of the North Carolina General Statutes and the several amendments thereto; provided, however, that this Corporation shall not, except to an insubstantial degree,

engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this Corporation.

10. No part of the net income of the Corporation shall inure to the benefit of or be distributable to any director or officer of the Corporation or to any individual (except that reasonable compensation may be paid for the services actually rendered to or for the Corporation effecting one or more of its purposes). No director or officer of the Corporation or any individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

11. The private property of the incorporator, directors, and officers of the Corporation shall not be subject to the payment of corporate debts to any extent whatsoever. In furtherance and not in limitation of any of the powers conferred by statute, the Corporation is expressly authorized to carry on its business and to hold annual and special meetings of its Board in any of the states, territories, or possessions of the United States or the District of Columbia.

12. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not, except to an insubstantial degree, conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from federal income taxation under §501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), and its regulations as they now exist or as they hereafter may be amended.

13. The Corporation reserves the right to amend, change, or appeal any provision contained in these Articles of Incorporation or to merge or consolidate this Corporation with any other nonprofit corporation in accordance with law and the affirmative vote of a majority of the members of the Board, as then constituted; provided, however, that any such action shall be

calculated exclusively to carry out the objects and purposes for which the Corporation is formed, and all rights herein conferred or granted shall be subject to this reservation.

14. Upon the dissolution and liquidation of the Corporation, the Board shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation in the following manner and order:

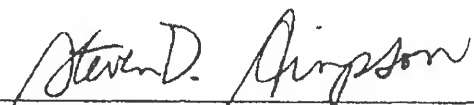
A. First, to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable and educational purposes, and which has established its tax-exempt status under §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws, as selected by the Board;

B. Second, as may be determined by a court of competent jurisdiction upon application of the Board for one or more exempt purposes within the meaning of §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws.

Any such assets not so disposed of shall be disposed of by a court of general jurisdiction in the county in which the principal office of the Corporation is then located exclusively for such purposes for which the organization was organized, or to such organization or organizations as said court shall determine.

15. The name and address of the incorporator are: Steven D. Simpson, 4101 Lake Boone Trail, Suite 300, Raleigh, Wake County, North Carolina 27607.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal, this the 10th day of May, 2010.

  
\_\_\_\_\_  
Steven D. Simpson  
Incorporator

**CERTIFICATE OF EFFECTIVENESS OF BYLAWS**  
**PURSUANT TO REVENUE PROCEDURE 68-14**

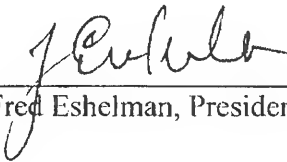
I, the undersigned President of Rightchange.com II ("Corporation"), do hereby certify that the Bylaws attached to this Certificate were duly adopted by the Board of Directors ("Board") of the Corporation, and that such Bylaws are currently in full force and effect to govern the affairs of the Corporation.

I hereby certify that I am the President of the Corporation.

This the 6th day of April, 2011.

Respectfully submitted,

Rightchange.com II

By: \_\_\_\_\_  
Fred Eshelman, President

**AMENDMENT OF BYLAWS**  
**(as approved by the Board of Directors on March 25, 2011)**

Article II of the Corporation's Bylaws is amended and restated in its entirety to read as follows:

**ARTICLE II**

**MEMBERSHIP**

The corporation shall have members. Upon payment of membership fees to the Corporation (the "Membership Fees"), such payor shall become a member of the Corporation upon acceptance of the Membership Fees by the Corporation.

**BYLAWS OF**  
**RIGHTCHANGE.COM II**  
**A Nonprofit Corporation**

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**BYLAWS OF**  
**Rightchange.com II**  
**A Nonprofit Corporation**

**ARTICLE I**

**NAME, PURPOSES, AND OFFICE**

**SECTION 1 - NAME.** This corporation shall be known as Rightchange.com II ("Corporation").

**SECTION 2 - GENERAL PURPOSES.** This Corporation is a nonprofit corporation and is not organized for the private gain of any person. It is organized under the North Carolina Nonprofit Corporation Act for social welfare purposes. The purposes for which this Corporation is organized and shall be exclusively operated are charitable and educational within the meaning of §501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), or the corresponding provision of any subsequent federal tax laws.

Notwithstanding any other provision of these Bylaws, this Corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation.

The Corporation is authorized to conduct any transaction by electronic means, in accordance with N.C. General Statutes §§55A-1-70 and 66-311 et seq.

**SECTION 3 - SPECIFIC PURPOSES.** The specific and primary purposes for which the Corporation is formed and for which it shall be exclusively administered and operated are to promote the social welfare and receive, administer and expend funds to promote civic betterments and social improvements in connection with the following:

A. To educate the general public about the important public need for research into effective economic, tax and monetary policies to which the federal and state governments should adhere;

B. To promote the health and social welfare of the citizens and residents of North Carolina and other states by educating the general public with respect to the many positive effects and the beneficial impact upon society as a whole that would be derived from the adoption of effective economic, tax and monetary policies by the federal and state governments;

C. To promote and advertise the benefits of effective economic, tax and monetary policies upon the health, welfare and general well-being of the citizens and residents of North Carolina; and elsewhere; and

D. To engage in any and all lawful activities incidental to the foregoing purposes except as restricted herein.

#### **SECTION 4 - LIMITATIONS.**

A. **Property.** The property, assets, profits, and net income of this Corporation are dedicated irrevocably to the purposes set forth in Sections 2 and 3 above. No part of the profits or net earnings of this Corporation shall ever inure to the benefit of any of its directors or officers, or to the benefit of any private individual.

B. **Dissolution.** Upon the dissolution and liquidation of the Corporation, the Board of Directors ("Board") shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation in the following manner and order:

(1) First, to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable and educational purposes, and which has established its tax-exempt status under §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws, as selected by the Board;

(2) Second, as may be determined by a court of competent jurisdiction upon application of the Board for one (1) or more exempt purposes within the meaning of §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws.

Any such assets not so disposed of shall be disposed of by a court of general jurisdiction in the county in which the principal office of the Corporation is then located exclusively for such purposes for which the Corporation was organized or to such organization. or organizations as said court shall determine.

**SECTION 5 - OFFICE.** The principal office of the Corporation shall be located at 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713. The Corporation also may have offices at such other places as the Board may from time to time designate.

## **ARTICLE II**

### **NO MEMBERSHIP**

The Corporation shall not have members.

## **ARTICLE III**

### **BOARD OF DIRECTORS**

**SECTION 1 - COMPOSITION.** The power and authority of the Corporation shall be vested in its Board which shall be composed of between three (3) and twelve (12) persons.

**SECTION 2 - ELECTION AND TERM OF DIRECTORS.** The initial Board shall consist of those persons named in the Articles of Incorporation. The initial Board shall be divided into three (3) groups as nearly equal in number as possible. The directors in Group 1 shall serve an initial term of one (1) year, the directors named in Group 2 shall serve an initial term of two (2) years, and the directors named in Group 3 shall serve an initial term of three (3) years each. Thereafter, all directors shall serve terms of three (3) years each. Directors whose terms have expired shall be eligible to succeed themselves.

Except for resignations, removals, or death, each director duly nominated and elected shall hold office until his successor is nominated, elected, and qualified by attending a meeting and being duly recognized and placed on the official records of the Corporation by the Secretary/Treasurer.

**SECTION 3 - RESIGNATIONS AND REMOVAL.** Any director may resign from the Board at any time by giving written notice to the President or the Secretary/Treasurer of the Corporation, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective. Any director may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office.

**SECTION 4 - VACANCIES.** Any vacancy occurring on the Board may be filled by the remaining Board members. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**SECTIONS - COMPENSATION.** Directors shall serve without compensation except that the directors may, in their discretion and by a majority vote of their number, reimburse any or all directors for expenses actually incurred by them in attending meetings or otherwise carrying out their duties to the Corporation. Nothing herein contained shall be construed to

preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

#### **SECTION 6 - OFFICERS OF THE BOARD OF DIRECTORS.**

A. **Chair.** The Board shall, elect from among its members a Chair who shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. The Chair's term shall be for one (1) year and he may succeed himself.

B. **Vice Chair.** The Board may elect from among its members a Vice Chair who shall preside at all meetings of the Board when the Chair is absent. The Vice Chair's term shall be for one (1) year and he may succeed himself.

### **ARTICLE IV**

#### **MEETINGS OF DIRECTORS**

#### **SECTION 1 - PLACE AND TIME OF ANNUAL AND REGULAR. MEETINGS.**

The Board shall hold not less than one (1) meeting per year at a designated time and place as determined by the Board at its first meeting. The Annual Meeting of the Board shall be held in the month of May of each year. Special meetings of the Board may be held at the call of the Chair or, in his absence, the Vice Chair or at the call of any two (2) directors. Regular meetings may be held without notice. Special meetings of the Board shall be held upon notice sent by any usual means of communication not less than two (2) days before the meeting.

**SECTION 2 - ATTENDANCE.** Directors shall strive to attend all meetings. However, in no event shall a director be absent for greater than fifty percent (50%) of the meetings of the Board in any year. In the event that a director is absent for greater than fifty percent (50%) of the meetings as described herein, the director may be subject to removal from the Board by the affirmative vote of the Board.

### **SECTION 3 - QUORUM, PROCEDURE, VOTING AND MANNER OF ACTION.**

A. **Quorum.** A quorum of the Board for the transaction of business shall consist of a majority of the directors then in office.

B. **Procedure.** At all meetings of the Board, the Chair, or in his absence, the Vice Chair, or in their absence, a presiding officer chosen at the meeting, shall preside over the transaction of business. The Secretary/Treasurer of the Corporation, or his designee, shall act as Secretary/Treasurer and such Secretary/Treasurer or his designee shall prepare records of all meetings of the Board and maintain the same in the Corporation's principal office.

C. **Voting.** Each director is entitled to one (1) vote on any matter before the Board. Voting by proxy is not permitted. A director who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting, or unless he files his written dissent to such action with the person acting as the Secretary/Treasurer of the meeting before the adjournment thereof, or forwards such dissent by certified mail, return receipt requested, to the Secretary/Treasurer of the Corporation by the second business day after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

D. **Manner of Action.** Unless otherwise required by law, the Articles of Incorporation, or these Bylaws, the act of a majority of the directors present and voting at a meeting at which a quorum is present shall be the act of the Board. Any action required or permitted to be taken by the Board under any provision of law, the Articles of

Incorporation, or these Bylaws may be taken without a meeting if written consent to the action in question is signed by all of the directors and filed with the minutes of the proceedings of the Board, whether done before or after the actions so taken. Such action by written consent shall have the same force and effect as a unanimous vote of the directors.

#### **SECTION 4 - CONFLICTS OF INTEREST.**

A. **Good Faith.** Directors of the Corporation shall exercise good faith in all transactions touching upon their duties to the Corporation and its property. In their dealings with and on behalf of the Corporation, directors are held to a strict rule of honest dealing.

B. **Conflict Raised by Another Member of the Board.** Each director, before taking his position, shall disclose in writing to the Chair a list of all businesses or other organizations of which he is an officer, director, shareholder, member, owner or employee, or for which he acts as an agent and with which the Corporation has or might reasonably in the future enter into a relationship or a transaction in which the director would have conflicting interests.

If any matter should come before the Board or any of its committees in such a way to give rise to a conflict of interest, the affected director shall make known to the Board the potential conflict and shall answer any questions that might be asked him. The Board shall determine whether or not a conflict exists. If the Board determines that a conflict does exist, the affected director shall be excluded from voting.

Any director may raise an issue as to whether or not another director has a conflict of interest with respect to any matter coming before the Board. In such case, the



Board shall decide whether or not a conflict exists. If the Board determines that a conflict does exist, the affected director shall be excluded from voting.

The affected director shall be counted in determining the quorum for the meeting except as provided herein. If the material facts of a transaction and the director's interest were disclosed or known to the Board or a committee of the Board and the Board or committee authorized, approved or ratified the transaction, a quorum is present if a majority of the directors who have no direct or indirect interest in the transaction voted to authorize, approve, or ratify the transaction. A majority of votes, whether or not present, that are entitled to be cast in a vote on a transaction where the material facts of the transaction and the director's interest were disclosed or known to the members of the Board entitled to vote constitutes a quorum; the members entitled to vote on such a transaction shall include all directors except (i) those directors with a direct or indirect interest in the transaction and (ii) those directors who have a material financial interest in another entity or are the general partners of another entity which is a party to the transaction. The minutes of the meeting shall reflect the existence of the conflict, the abstention from voting, and the quorum situation.

Any director may raise an issue as to whether another director's circumstances or situation renders his service on the Board in conflict with the best interests of the Corporation. In any such case, the Board shall determine if such a conflict exists, and what action, if any, should be taken.

C. **Disqualified Director.** The foregoing section shall not be construed as preventing a director from briefly stating his position to the Board concerning the manner in which he has a possible conflict of interest or from answering pertinent questions of

other directors concerning the matter because his knowledge may be of assistance to the Board.

**D. Notice to New Directors.** The Chair of the Board shall advise each new director of this conflicts of interest policy promptly after the new director assumes the duties of his office.

## **SECTION 5 - INDEMNIFICATION.**

### **A. Indemnification Under N.C. Gen. Stat. §55A-8-51.**

(1) Except as provided in subparagraph (4) of this Section 5.A, the Corporation shall indemnify an individual made a party to a proceeding because the individual is or was a director against liability incurred in the proceeding if the individual (a) conducted himself in good faith; (b) reasonably believed (i) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interests, and (ii) in all other cases, that his conduct was at least not opposed to the Corporation's best interests; and (c) in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

(2) A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subparagraph (1) above.

(3) The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of no contest or its equivalent is not of itself determinative that the director did not meet the standard of conduct set forth in subparagraph (1) above.

(4) The Corporation shall not indemnify a director in connection with the proceeding by or in right of the Corporation in which the director is adjudged liable to the Corporation or in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

(5) Indemnification hereunder in connection with a proceeding by or in the right of the Corporation that is concluded without a final adjudication on the issue of liability is limited to reasonable expenses incurred in connection with the proceeding.

(6) The authorization, approval or favorable recommendation by the Board of indemnification as authorized hereunder shall not be deemed an act or corporate transaction in which a director has a conflict of interest and no such indemnification shall be void or voidable on such ground.

**B. Indemnification under N.C. Gen. Stat. §55A-8-52.** The Corporation shall indemnify a director who is wholly successful on the merits or otherwise in the defense of any proceeding to which the director was a party because he is or was a director of the Corporation, against reasonable expenses actually incurred by the director in connection with the proceeding.

**C. Advances Under N.C. Gen. Stat. §55A-8-53.** Expenses incurred by a director in defending a proceeding shall be paid by the Corporation in advance of the final disposition of the proceeding upon receipt of an agreement by or on behalf of the

director to repay such amount unless it is ultimately determined that the director is entitled to be indemnified by the Corporation against such expenses.

**D. Court-Ordered Indemnification Under N.C. Gen. Stat. §55A-8-54.** A director of the Corporation who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. The court may order indemnification if it determines that (i) the director is entitled to mandatory indemnification under N.C. Gen. Stat. §55A-8-52, in which case the Corporation shall also pay the director's reasonable expenses incurred to obtain court-ordered indemnification, or (ii) the director is fairly and reasonably entitled to indemnification in whole or in part in view of all the relevant circumstances, whether or not the director met the standard of conduct set forth in N.C. Gen. Stat. §55A-8-51 or was adjudged liable as described in N.C. Gen. Stat. §55A-8-51(d), but if the director is adjudged so liable, such indemnification is limited to reasonable expenses incurred.

**E. Determination and Authorization of Indemnification Under N.C. Gen. Stat. §55A-8-55.**

(1) The Corporation shall not indemnify a director under N.C. Gen. Stat. §55A-8-51 unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because the director met the standard of conduct set forth in N.C. Gen. Stat. §55A-8-51. The determination shall be made by the Board by a majority vote of a quorum consisting of directors not at the time parties to the proceeding. If such a quorum cannot be obtained, such determination thereupon shall be made by a majority vote of a committee duly designated by the Board (in which designation

directors who are parties may participate), consistently solely of two (2) or more directors not at the time parties to the proceeding. If the foregoing two (2) methods of determination cannot be made, then such determination shall be made by special legal counsel selected by the Board or a committee in the manner prescribed herein, or if a quorum of the Board cannot be obtained and a committee cannot be designated, then selected by a majority vote of the full Board in which selection directors who are parties may participate.

(2) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled to select counsel hereunder.

**F. Indemnification of Officers, Employees, and Agents Under N.C. Gen. Stat. §55A-8-56.** An officer, employee, or agent of the Corporation is entitled to indemnification under this subsection to the same extent as a director. The Corporation shall advance expenses to an officer, employee, or agent of the Corporation to the same extent as to a director.

**G. Immunity from Civil Liability.** Directors and officers of the Corporation shall be immune from civil liability for monetary damages arising out of their service as such to the fullest extent authorized by law, including but not limited to that immunity authorized by N.C. Gen. Stat. §§55A-2-02(b)(4), and 55A-8-60, or any successor provisions of law.

## ARTICLE V

### COMMITTEES OF THE BOARD OF DIRECTORS

#### SECTION 1 - EXECUTIVE COMMITTEE.

A. **Designation.** There may be an Executive Committee of two (2) directors, if authorized by resolution of the Board.

B. **Meetings.** The Executive Committee may meet at stated times or upon written notice to all members of the Executive Committee.

C. **Authority.** During intervals between meetings of the Board, and except as limited by resolution of the Board or by law, the Executive Committee shall and may exercise all of the authority of the Board in the management of the Corporation.

D. **Membership and Vacancies.** The members of the Executive Committee shall at all times include the Chair of the Board of the Corporation and the Vice Chair of the Board of the Corporation. The remaining members of the Executive Committee shall be appointed by the Chair of the Board of the Corporation and the Vice Chair of the Board of the Corporation, and approved by the majority of all directors in, office. Vacancies in the membership of the Executive Committee may but need not be filled by the Board at any regular meeting or at a special meeting called for that purpose. The membership of the Executive Committee may be changed or the Executive Committee may be dissolved by the Board at any annual meeting or by a special meeting called for that purpose.

E. **Minutes.** The Executive Committee shall keep regular minutes of its proceedings and shall report the same to the Board when. requested.

**SECTION 2 - ADVISORY COMMITTEES.** The Board may create advisory committees from time to time. The advisory committees shall be appointed by the Chair of the Board and approved by a majority of all directors in office. The advisory committee shall include two (2) or more directors. Advisory committees shall not exercise the authority of the Board and shall serve only in an advisory capacity.

**SECTION 3 - STANDING AND SPECIAL COMMITTEES.** The Board may authorize such standing and special committees as are necessary and proper to carry on the affairs of the Corporation. The resolution of creation must designate the authority of the Board which the committee may exercise, as well as any limitations thereon, and the functions that the committee shall discharge. Members of such standing committees as may be authorized shall be appointed by the Chair of the Board and approved by a majority of all the directors in office. Only directors of the Corporation may serve as voting members or the Chair of such special or standing committees as may be authorized.

**SECTION 4 - GOVERNING PROVISIONS.** Meetings, action without meeting, notice and waiver of notice, and quorum and voting requirements of the Board apply to committees, as well as the members of those committees.

## **ARTICLE VI**

### **OFFICERS OF THE CORPORATION**

**SECTION 1 - OFFICERS AND ELECTION.** The Board shall elect by majority vote a President, a Vice President and a Secretary/ Treasurer for the term of one (1) year or until their successors have been appointed, each of whom shall take office after the close of the Annual Meeting of the Board at which he is elected as such. The Board may elect such additional officers and assign to such officer(s) such duties or responsibilities as the Board may deem

necessary or appropriate. Officers shall be eligible to serve unlimited terms of one (1) year each. Officers may delegate and supervise the performance of their duties as necessary; provided, however, that the delegation and supervision of an officer's duties will not alter the officer's obligation to discharge his duties in good faith, with the care of a reasonably prudent person in a like position under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of the Corporation.

**SECTION 2 - PRESIDENT.** The President shall serve as the principal officer of the Corporation in the overall management of the business and operation thereof. The President shall act as the duly authorized representative of the Corporation in all matters, except those in which the Board has formally designated some other person or group to act, and he shall have and exercise the authority that may be delegated to him by the Board and these Bylaws.

**SECTION 3 - VICE PRESIDENT.** The Vice President shall serve in the absence of the President of the Corporation and shall further have such duties and responsibilities as may be assigned to him by the President.

**SECTION 4 - SECRETARY/TREASURER.** The Secretary/Treasurer or his designee shall have custody of the business records of the Corporation, including the minutes and organizational documents of the Corporation, and shall maintain the same in accordance with the standards established by the Board. The Secretary/Treasurer may sign with the President, in the name of the Board, all contracts, agreements, and other obligations authorized to be executed by the Board. The Secretary/Treasurer shall keep an accurate list of the members of the Board and, in general, shall perform all such acts as may be prescribed by the Board and as are usually incident to the office of Secretary/Treasurer. Assistant Secretary/Treasurers may be elected by the Board as the Board deems appropriately necessary to assist the Secretary/Treasurer or to



assume the duties of the Secretary/Treasurer in the Secretary/Treasurer's absence. The Secretary/Treasurer or his designee shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such depositories as shall be selected by the Board; (b) maintain appropriate accounting records as required by law; (c) prepare, or cause to be prepared, annual financial statements of the Corporation that include a balance sheet as of the end of the fiscal year and an income and cash flow statement for that year; and (d) in general perform all of the duties incident to the office of the Secretary/Treasurer and such other duties as from time to time may be prescribed by the President or the Board.

**SECTION 5 - VACANCIES.** Vacant offices shall be filled by the act of a majority of directors present at a meeting of the Board at which a quorum is present.

**SECTION 6. - REMOVAL OF OFFICERS.** Any officer or agent elected or appointed by the Board may be removed by majority vote of the Board when, in the Board's judgment, the best interests of the Corporation will be served thereby.

**SECTION 7 - BONDS.** The Board may, by resolution, require any officer, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position and to comply with such other conditions as may from time to time be required by the Board. The premiums for all such bonds shall be paid by the Corporation.

## ARTICLE VII

### CONTRACTS, LOANS, CHECKS AND DEPOSITS

**SECTION 1 - CONTRACTS.** The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

**SECTION 2 - LOANS.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

**SECTION 3 - CHECKS AND DRAFTS.** All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

**SECTION 4 - DEPOSITS.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board may select.

## ARTICLE VIII

### GENERAL PROVISIONS

**SECTION 1 - WAIVER OF NOTICE.** Whenever any notice is required to be given to any director or other person under the provisions of these Bylaws, the Articles of Incorporation, or by applicable law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time such notice is due, shall be equivalent to the giving of such notice.

**SECTION 2 - SEAL.** The seal of the Corporation shall be circular in form and shall bear the words Rightchange.com II and, in the center, "Corporate Seal".

**SECTION 3 - FISCAL YEAR.** The fiscal year of the Corporation shall end on the last day of the month of December of each year.

**SECTION 4 - AUDITORS.** The Board may, in its discretion, employ a certified public accountant to (i) audit the books of the Corporation for each fiscal year of the Corporation and at such other time or times and for such periods as the Board may deem advisable, and (ii) furnish certified reports on such audits.

**SECTION 5 - PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS.** No officer, director or employee of, or member of a committee of, or person connected with the Corporation, or any other private individual shall receive at any time any of the net earnings or pecuniary profits from the operations of the Corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as shall be fixed by the Board. No such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All directors and officers of the Corporation shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board shall be distributed in such amounts as the Board may determine, or as may be determined by a court of competent jurisdiction upon application of the Board, in the manner set forth in the Articles of Incorporation and these Bylaws.

**SECTION 6 - AMENDMENTS.** These Bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the directors then in office at any regular or special meeting of the Board, provided that prior written notice has been given to all members of the Board at least one (1) week in advance of the meeting.

**SECTION 7 - GENDER.** Throughout these Bylaws, whenever the context requires or permits, the masculine gender shall be deemed to include the feminine, the neuter gender shall be deemed to include the masculine and the feminine, and the singular shall be deemed to include the plural and vice versa.

## **ARTICLE IX**

### **EXEMPT ACTIVITIES**

Notwithstanding any other provision of these Bylaws, no director, officer, employee, or other representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken by an organization exempt under §501(c)(4) of the Code and the regulations thereunder, as they now exist or as they may hereafter be amended.

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Form **1024**  
(Rev. September 1998)  
Department of the Treasury  
Internal Revenue Service

# Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,  
this application will be open  
for public inspection.

Read the instructions for each Part carefully. **A User Fee must be attached to this application.**

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

**Complete the Procedural Checklist on page 6 of the instructions.**

## Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)

Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) <b>Rightchange.com II</b>		2 Employer identification number (EIN) (if none, see <b>Specific Instructions</b> on page 2) <b>27 : 2531555</b>
1b c/o Name (if applicable) <b>Paula Hopper</b>		3 Name and telephone number of person to be contacted if additional information is needed  <b>Paula Hopper</b>  <b>( 919 ) 395-7327</b>
1c Address (number and street) <b>8300 Buck Crossing Drive</b>	Room/Suite	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see <b>Specific Instructions</b> for Part I, page 2. <b>Durham, North Carolina 27713</b>		
1e Web site address <b>Rightchange.com</b>	4 Month the annual accounting period ends <b>December</b>	5 Date incorporated or formed <b>May 10, 2010</b>
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 Has the organization filed Federal income tax returns or exempt organization Form 990 returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

- 8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.
- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
  - b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
  - c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE  
SIGN  
HERE

(Signature)

President

(Type or print name and title or authority of signer)

4/6/2011

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

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**Part II. Activities and Operational Information** (Must be completed by all applicants)

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- 1** Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: **(a)** a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; **(b)** when the activity was or will be initiated; and **(c)** where and by whom the activity will be conducted.

**See Attachment No. 1 attached hereto.**

- 
- 2** List the organization's present and future sources of financial support, beginning with the largest source first.

- 1. Gifts, grants, contributions and membership dues and fees from the general public.**
  - 2. Investment income.**
-

**Part II. Activities and Operational Information** (continued)

**3** Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
<b>See Attachment No. 2 attached hereto</b>	

**4** If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.  
**Not Applicable**

**5** If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).  
**See Attachment No. 3 attached hereto.**

**6** If the organization has capital stock issued and outstanding, state: **(1)** class or classes of the stock; **(2)** number and par value of the shares; **(3)** consideration for which they were issued; and **(4)** if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.  
**Not applicable.**

**7** State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.  
**Members pay dues of varying amounts. There are no requirements for membership other than a desire to support the activities of the Corporation.**

**8** Explain how your organization's assets will be distributed on dissolution.  
**To a Section 501(c)(3) organization as selected by the Board of Directors.**

**Part II. Activities and Operational Information** (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No  
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No  
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No  
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No  
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No  
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No  
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No  
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☒ Yes ☐ No  
If "Yes," attach a recent copy of each.

See Attachment 4 attached hereto.



**Part III. Financial Data** (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 1/1/11 To 12/31/11	(b) 12/31/2010	(c) 12/31/2012	(d) 12/31/2013	
1 Gross dues and assessments of members . . . . .	See attached		See Attached	See Attached	
2 Gross contributions, gifts, etc. . . . .					
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)					
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule) . . . . .					
6 Investment income (see page 3 of the instructions)					
7 Other revenue (attach schedule). . . . .					
8 Total revenue (add lines 1 through 7) . . . . .					
<b>Expenses</b>					
9 Expenses attributable to activities related to the organization's exempt purposes. . . . .					
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule). . . . .					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages. . . . .					
15 Interest . . . . .					
16 Occupancy . . . . .					
17 Depreciation and depletion . . . . .					
18 Other expenses (attach schedule) . . . . .					
19 Total expenses (add lines 9 through 18) . . . . .					
20 Excess of revenue over expenses (line 8 minus line 19) . . . . .					

**B. Balance Sheet (at the end of the period shown)**

		Current Tax Year as of 2010
<b>Assets</b>		
1	Cash. . . . .	
2	Accounts receivable, net. . . . .	
3	Inventories . . . . .	
4	Bonds and notes receivable (attach schedule) . . . . .	
5	Corporate stocks (attach schedule). . . . .	
6	Mortgage loans (attach schedule) . . . . .	
7	Other investments (attach schedule) . . . . .	
8	Depreciable and depletable assets (attach schedule) . . . . .	
9	Land. . . . .	
10	Other assets (attach schedule) . . . . .	
11	<b>Total assets</b> . . . . .	
<b>Liabilities</b>		
12	Accounts payable . . . . .	
13	Contributions, gifts, grants, etc., payable . . . . .	
14	Mortgages and notes payable (attach schedule) . . . . .	
15	Other liabilities (attach schedule) . . . . .	
16	<b>Total liabilities.</b> . . . . .	
<b>Fund Balances or Net Assets</b>		
17	<b>Total fund balances or net assets</b> . . . . .	
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) . . . . .	

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

**Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)**

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**1** Section 501(c)(9) and 501(c)(17) organizations:

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)? . . . . . ☐ Yes ☐ No

If "Yes," skip the rest of this Part.

If "No," answer question 2.

---

**2** If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed? . . . . . ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

If "No," answer question 3.

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**3** If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? . . . . . ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

---

**4** If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed? . . . . . ☐ Yes ☐ No

---

**Schedule B** **Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

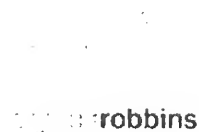
If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

**Not Applicable**



Wyrick Robbins Yates & Ponton LLP  
4101 Lake Boone Trail, Suite 300, Raleigh, NC 27607  
PO Drawer 97803, Raleigh, NC 27610  
t 919.781.7000 f 919.781.7085 www.wyrick.com

Steven D. Simpson  
ssimpson@wyrick.com

April 6, 2011

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

Re: Rightchange.com II  
EIN: 27-2531555  
Application for Recognition of Exemption Under Sections 501(a) and 501(c)(4) - Form 1024

Ladies and Gentlemen:

Enclosed is Form 1024, Application for Recognition of Exemption under Sections 501(a) and 501(c)(4) of the Internal Revenue Code of 1986 ("Code"), and supporting documentation (collectively the "Application"), filed on behalf of Rightchange.com II (the "Corporation"), consisting of the following:

1. Declaration of Fred Eshelman, President of the Corporation;
2. Form 8718, with \$850 user fee attached;
3. Form 2848, Power of Attorney and Declaration of Representative, naming Adam B. Snyder and me as attorneys for the Corporation for this application;
4. Form 1024;
5. Form 1024 Attachments 1-4;
6. Substitute Part III, Financial Data, for 2011 and 2012, financial projections;
7. Copy of Articles of Incorporation, as amended; and
8. Certificate of Effectiveness of Bylaws, and copy of Bylaws, as amended.

Internal Revenue Service  
April 6, 2011  
Page 2

The Corporation looks forward to the receipt of a favorable determination letter in due course that the Service recognizes the Corporation as a 501(c)(4) social welfare organization.

Please call me if you have any questions.

Very truly yours,

WYRICK ROBBINS YATES & PONTON LLP

  
Steven D. Simpson

Enclosures

cc: Ms. Paula Hopper (w/encls. by email)  
Rightchange.com II

**DECLARATION**

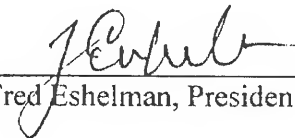
I, the undersigned President of Rightchange.com II ("Corporation"), do hereby declare under the penalties of perjury that I am authorized to sign this Application on behalf of the Corporation, and that I have examined this Application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct and complete.

I hereby certify that I am the President of the Corporation.

This the 6th day of April, 2011.

Respectfully submitted,

Rightchange.com II

By:   
Fred Eshelman, President

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 1**

Part II, Question 1. Narrative description of activities.

Rightchange.com II ("Corporation") is a newly-organized North Carolina nonprofit corporation. The Corporation has filed IRS Form 1024, Application for Recognition of Exemption under §501(a), and related documentation (collectively, the "Application"). The Corporation seeks a favorable determination that the Service recognizes the Corporation as an organization exempt from federal income taxation under §501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), as a social welfare organization.

The Corporation will primarily engage in educational activities which will promote the social welfare of the general public. The Corporation's activities will educate the general public on subjects of importance to the general public, such as effective tax policy, tax reform, effective economic policies and governmental monetary policy. The Corporation's primary purpose thus will be to educate the general public on these important matters. This is a proper exempt purpose for a social welfare organization. Regs. §1.501(c)(4)-1(a)(2); Regs. §1.501(c)(3)-1(c)(3).

The Corporation also intends to engage in so-called "issue advocacy" activities. Issue advocacy activities are activities conducted prior to or during political election campaigns which discuss issues of importance to voters in the campaign, but do not take a position in favor of or in opposition to any particular candidate. The Corporation may thus take a public stance on one side or the other of a particular issue in a political campaign, without necessarily endorsing or opposing a particular named candidate. For example, the Corporation may take the position that

economic growth would be promoted by lowering federal and state income tax rates. An issue advocacy advertisement might take this position, without either promoting or opposing a particular named candidate. Thus, it is the issue that that the Corporation would promote, rather than a particular candidate. This is a proper educational activity for social welfare organizations such as the Corporation.

The Corporation will also engage in what are referred to as “get out the vote” activities. This will consist of efforts to educate the general public about the importance of voting, without promoting or opposing any particular candidate. The Corporation will also encourage the general public to register to vote. This is also a proper activity for social welfare organizations such as the Corporation. See, e.g., Revenue Ruling 81-95, 1981-1 C.B. 332; Regs. §1. 501(c)(4)-1(a)(2)(ii). See also Code §4945(f); Regs. §53.4945-3(b)(1), (2).

The Corporation respectfully submits that the foregoing description of its proposed activities should be sufficient for the Service to issue a favorable determination that the Service recognizes the Corporation as an organization exempt from federal income taxation under §§501(a) and 501(c)(4) of the Code. We understand that the determination letter will be retroactive to the date of the Corporation’s inception, May 10, 2010. The Corporation looks forward to the receipt of a favorable determination letter in due course.



**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 2**

Part II, Question 3. Directors and Officers.

The names, addresses and titles of the Corporation's officers and directors are as follows:

<u>Names</u>	<u>Addresses</u>
Fred Eshelman, President & Director	8300 Buck Crossing Drive Durham, North Carolina 27713
Fletcher Hartsell, Vice President & Director	8300 Buck Crossing Drive Durham, North Carolina 27713
Jeff Barnhart, Secretary/Treasurer & Director	8300 Buck Crossing Drive Durham, North Carolina 27713

All officers and directors serve as volunteers without compensation for their services, other than for reimbursement of their expenses incurred in connection with their services as officers and directors.

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 3**

Part II, Question 5. Related Organizations.

The Corporation is a tax-exempt affiliate of Rightchange.com, a §527 political committee, and Rightchange.com Political Action Committee, Inc., also a §527 political committee. It shares facilities with the related entities. The three entities have the same officers and directors.

Separate banking accounts are maintained, however, by each entity. Funds are thus not commingled. Separate accounting is maintained for each entity. Moreover, each entity files its own separate tax returns. Thus, the Corporation will file its own separate Form 990.

**RIGHTCHANGE.COM II**  
**EIN: 27-2531555**  
**FORM 1024**  
**ATTACHMENT NO. 4**

Part II, Question 16. Publications.

The Corporation does intend to publish pamphlets and brochures regarding candidates for elective federal office and other educational materials of interest to the general public. However, it has not yet published any such materials as of the date of the filing of this Application.

RIGHTCHANGE.COM II  
EIN: 27-2531555  
Form 1024  
Substitute Part III, Financial Data

I. Statement of Estimated Revenues and Expenses for Period Ending 12/31/11:

Estimated Revenues:

- A. Membership fees, gifts and grants
- B. Exempt Function Income
- C. Interest Income

Total Revenues

Estimated Expenses:

- A. Program Service Expenses
- B. Administrative/General Expenses

Total Expenses

Excess of Revenues over Expenses

II. Estimated Balance Sheet for Period Beginning 1/1/11 and Ending 12/31/11:

	<u>Beginning 1/1/11</u>	<u>Ending 12/31/11</u>
Assets:		
A. Cash	\$	
B. Accounts Receivable	\$	
Total Assets	\$	
Liabilities		
A. Accounts Payable	\$	
B. Loans Payable	\$	
Total Liabilities	\$	
Fund Balance	\$	
Total Liabilities and Fund Balance:	\$	

RIGHTCHANGE.COM II  
EIN: 27-2531555  
Form 1024  
Substitute Part III, Financial Data

I. Statement of Estimated Revenues and Expenses for Period Ending 12/31/12:

Estimated Revenues:

- A. Membership fees, gifts and grants
- B. Exempt Function Income
- C. Interest Income

Total Revenues

Estimated Expenses:

- A. Program Service Expenses
- B. Administrative/General Expenses

Total Expenses

Excess of Revenues over Expenses

II. Estimated Balance Sheet for Period Beginning 1/1/12 and Ending 12/31/12:

	<u>Beginning 1/1/12</u>	<u>Ending 12/31/12</u>
Assets:		
A. Cash	\$	
B. Accounts Receivable	\$	
Total Assets	\$	
Liabilities		
A. Accounts Payable	\$	
B. Loans Payable	\$	
Total Liabilities	\$	
Fund Balance	\$	
Total Liabilities and Fund Balance:	\$	



# NORTH CAROLINA

## Department of The Secretary of State

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To all whom these presents shall come, Greetings:

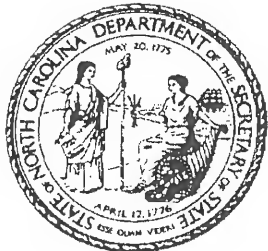
I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF AMENDMENT

OF

### RIGHTCHANGE.COM II

the original of which was filed in this office on the 4th day of April, 2011.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 4th day of April, 2011.

*Elaine F. Marshall*

Secretary of State

SOSID: 1148069  
Date Filed: 4/4/2011 1:45:00 PM  
Elaine F. Marshall  
North Carolina Secretary of State  
C201109400285

## RIGHTCHANGE.COM II

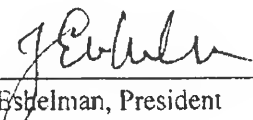
## ARTICLES OF AMENDMENT

Pursuant to §55A-10-05 of the General Statutes of North Carolina, the undersigned corporation hereby submits the following Articles of Amendment for the purpose of amending its Articles of Incorporation.

1. The name of the corporation is Rightchange.com II (the "Corporation").
2. The text of each amendment adopted is as follows:  
  
Section 3 is deleted in its entirety and replaced with the following text:  
  
3. The Corporation shall have members.
3. The date of adoption of the amendment was March 25, 2011.
4. The amendment was approved by a sufficient vote of the board of directors or incorporators, and member approval was not required because the Corporation does not have members.
5. These articles will be effective upon filing,

Dated this the 25th day of March, 2011.

## RIGHTCHANGE.COM II

By:   
Fred Eselman, President



# NORTH CAROLINA

## Department of The Secretary of State

---

To all whom these presents shall come, Greetings:

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF INCORPORATION

OF

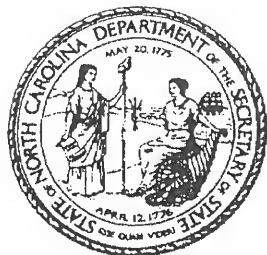
RIGHTCHANGE.COM II

the original of which was filed in this office on the 10th day of May, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 10th day of May, 2010.

*Elaine F. Marshall*

Secretary of State





ARTICLES OF INCORPORATION OF  
RIGHTCHANGE.COM  
A NONPROFIT CORPORATION

I, the undersigned natural person of the age of eighteen (18) years or more, acting as incorporator for the purpose of creating a nonprofit corporation under the laws of the State of North Carolina as contained in Chapter 55A of the General Statutes of North Carolina entitled "Nonprofit Corporation Act" and the several amendments thereto, and Chapter 55D of the General Statutes of North Carolina captioned "Filings, Names and Registered Agents for Corporations, Nonprofit Corporations and Partnerships", do hereby set forth:

1. The name of the corporation is Rightchange.com<sup>II</sup> ("Corporation").
2. The period of duration of the Corporation shall be perpetual.
3. The Corporation shall not have members.
4. The address of the initial registered office of the Corporation is: 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713. The name of the initial registered agent of the Corporation at the above address is Paula Hopper, a resident of North Carolina. The address of the principal office of the Corporation is 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713.

5. The specific and primary purposes for which the Corporation is formed and for which it shall be exclusively administered and operated are to promote the social welfare and receive, administer and expend funds to promote civic betterments and social improvements in connection with the following:

- A. To educate the general public about the important public need for research into effective economic, tax and monetary policies to which the federal and state governments should adhere;

B. To promote the health and social welfare of the citizens and residents of North Carolina and other states by educating the general public with respect to the many positive effects and the beneficial impact upon society as a whole that would be derived from the adoption of effective economic, tax and monetary policies by the federal and state governments;

C. To promote and advertise the benefits of effective economic, tax and monetary policies upon the health, welfare and general well-being of the citizens and residents of North Carolina; and elsewhere; and

D. To engage in any and all lawful activities incidental to the foregoing purposes except as restricted herein.

6. To accomplish the foregoing social welfare purposes, and for no other purpose or purposes, this Corporation shall have the power:

A. To sue and be sued, complain and defend, in its corporate name;

B. To purchase, take, receive, lease, take by gift, devise, or bequest, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with real or personal property, or any interest therein, wherever situated;

C. To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets;

D. To acquire, by purchase, subscription, gift, will, or otherwise, and to own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares and other interests in, or obligations of, domestic or foreign business corporations, associations, partnerships or individuals, or

direct or indirect obligations of the United States or of any government, state, territory, governmental district, or any municipality or of any instrumentality thereof;

E. To make contracts and incur liabilities, borrow money, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of or other forms of security upon all or any of its property, franchises, and income;

F. To lend money for its corporate purposes, invest its funds from time to time, and take and hold real and personal property as security for the payment of funds so loaned or invested;

G. To have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized; and

H. To make contributions or gifts to other corporations (foreign and domestic), trusts, community chests, funds, foundations, or associations organized and operated exclusively for religious, charitable, literary, scientific or educational, cultural or artistic purposes, or for the public welfare, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any person or individual, when such contributions or gifts are authorized or approved by its Board of Directors ("Board").

7. The number of persons constituting the Board shall be specified in the Corporation's Bylaws from time to time, but shall not be less than three (3). The initial Board shall consist of three (3) persons. The names of the persons who are to serve as the initial directors are:

Names

Fred Eshelman

Fletcher Hartsell

Jeff Barnhart

Each member of the initial Board shall serve until the first meeting of the Board of the Corporation or until their successors are elected and qualified in the manner and for the time provided in the Bylaws of the Corporation. No director shall be personally liable for monetary damages arising out of an action whether by or in the right of the Corporation or otherwise for breach of any duty as a director, except as otherwise provided by law. Directors and officers of the Corporation shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of his service as such. All directors and officers shall be immune from personal liability for monetary damages for breach of any duty as director or officer to the fullest extent allowed by law, including that immunity set forth in N.C. Gen. Stat. §§55A-2-02(b)(4) and 55A-8-60, or any successor provisions of law.

8. The selection and terms to be served by the members of the Board and the regulation of the internal affairs of the Corporation shall be as provided for in the Corporation's Bylaws.

9. The Corporation shall have the full power to conduct its affairs, carry on its operations, and have offices and exercise the powers granted by Chapter 55A of the North Carolina General Statutes anywhere in the world; and authority to do any other act or thing incidental to or connected with the foregoing purposes and advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers, except as permitted by the provisions of Chapter 55A of the North Carolina General Statutes and the several amendments thereto; provided, however, that this Corporation shall not, except to an insubstantial degree,

engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this Corporation.

10. No part of the net income of the Corporation shall inure to the benefit of or be distributable to any director or officer of the Corporation or to any individual (except that reasonable compensation may be paid for the services actually rendered to or for the Corporation effecting one or more of its purposes). No director or officer of the Corporation or any individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

11. The private property of the incorporator, directors, and officers of the Corporation shall not be subject to the payment of corporate debts to any extent whatsoever. In furtherance and not in limitation of any of the powers conferred by statute, the Corporation is expressly authorized to carry on its business and to hold annual and special meetings of its Board in any of the states, territories, or possessions of the United States or the District of Columbia.

12. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not, except to an insubstantial degree, conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from federal income taxation under §501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), and its regulations as they now exist or as they hereafter may be amended.

13. The Corporation reserves the right to amend, change, or appeal any provision contained in these Articles of Incorporation or to merge or consolidate this Corporation with any other nonprofit corporation in accordance with law and the affirmative vote of a majority of the members of the Board, as then constituted; provided, however, that any such action shall be

calculated exclusively to carry out the objects and purposes for which the Corporation is formed, and all rights herein conferred or granted shall be subject to this reservation.

14. Upon the dissolution and liquidation of the Corporation, the Board shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation in the following manner and order:

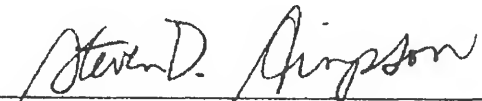
A. First, to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable and educational purposes, and which has established its tax-exempt status under §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws, as selected by the Board;

B. Second, as may be determined by a court of competent jurisdiction upon application of the Board for one or more exempt purposes within the meaning of §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws.

Any such assets not so disposed of shall be disposed of by a court of general jurisdiction in the county in which the principal office of the Corporation is then located exclusively for such purposes for which the organization was organized, or to such organization or organizations as said court shall determine.

15. The name and address of the incorporator are: Steven D. Simpson, 4101 Lake Boone Trail, Suite 300, Raleigh, Wake County, North Carolina 27607.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal, this the 10th day of May, 2010.

  
\_\_\_\_\_  
Steven D. Simpson  
Incorporator

**CERTIFICATE OF EFFECTIVENESS OF BYLAWS**  
**PURSUANT TO REVENUE PROCEDURE 68-14**

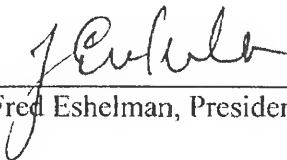
I, the undersigned President of Rightchange.com II ("Corporation"), do hereby certify that the Bylaws attached to this Certificate were duly adopted by the Board of Directors ("Board") of the Corporation, and that such Bylaws are currently in full force and effect to govern the affairs of the Corporation.

I hereby certify that I am the President of the Corporation.

This the 6th day of April, 2011.

Respectfully submitted,

Rightchange.com II

By:   
Fred Eshelman, President

**AMENDMENT OF BYLAWS**  
**(as approved by the Board of Directors on March 25, 2011)**

Article II of the Corporation's Bylaws is amended and restated in its entirety to read as follows:

**ARTICLE II**

**MEMBERSHIP**

The corporation shall have members. Upon payment of membership fees to the Corporation (the "Membership Fees"), such payor shall become a member of the Corporation upon acceptance of the Membership Fees by the Corporation.



**BYLAWS OF**  
**RIGHTCHANGE.COM II**  
**A Nonprofit Corporation**

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**BYLAWS OF**  
**Rightchange.com II**  
**A Nonprofit Corporation**

**ARTICLE I**

**NAME, PURPOSES, AND OFFICE**

**SECTION 1 - NAME.** This corporation shall be known as Rightchange.com II ("Corporation").

**SECTION 2 - GENERAL PURPOSES.** This Corporation is a nonprofit corporation and is not organized for the private gain of any person. It is organized under the North Carolina Nonprofit Corporation Act for social welfare purposes. The purposes for which this Corporation is organized and shall be exclusively operated are charitable and educational within the meaning of §501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), or the corresponding provision of any subsequent federal tax laws.

Notwithstanding any other provision of these Bylaws, this Corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation.

The Corporation is authorized to conduct any transaction by electronic means, in accordance with N.C. General Statutes §§55A-1-70 and 66-311 et seq.

**SECTION 3 - SPECIFIC PURPOSES.** The specific and primary purposes for which the Corporation is formed and for which it shall be exclusively administered and operated are to promote the social welfare and receive, administer and expend funds to promote civic betterments and social improvements in connection with the following:

A. To educate the general public about the important public need for research into effective economic, tax and monetary policies to which the federal and state governments should adhere;

B. To promote the health and social welfare of the citizens and residents of North Carolina and other states by educating the general public with respect to the many positive effects and the beneficial impact upon society as a whole that would be derived from the adoption of effective economic, tax and monetary policies by the federal and state governments;

C. To promote and advertise the benefits of effective economic, tax and monetary policies upon the health, welfare and general well-being of the citizens and residents of North Carolina; and elsewhere; and

D. To engage in any and all lawful activities incidental to the foregoing purposes except as restricted herein.

#### **SECTION 4 - LIMITATIONS.**

A. **Property.** The property, assets, profits, and net income of this Corporation are dedicated irrevocably to the purposes set forth in Sections 2 and 3 above. No part of the profits or net earnings of this Corporation shall ever inure to the benefit of any of its directors or officers, or to the benefit of any private individual.

B. **Dissolution.** Upon the dissolution and liquidation of the Corporation, the Board of Directors ("Board") shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation in the following manner and order:

(1) First, to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable and educational purposes, and which has established its tax-exempt status under §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws, as selected by the Board;

(2) Second, as may be determined by a court of competent jurisdiction upon application of the Board for one (1) or more exempt purposes within the meaning of §501(c)(3) of the Code or the corresponding provision of any subsequent federal tax laws.

Any such assets not so disposed of shall be disposed of by a court of general jurisdiction in the county in which the principal office of the Corporation is then located exclusively for such purposes for which the Corporation was organized or to such organization. or organizations as said court shall determine.

**SECTION 5 - OFFICE.** The principal office of the Corporation shall be located at 8300 Buck Crossing Drive, Durham, Durham County, North Carolina 27713. The Corporation also may have offices at such other places as the Board may from time to time designate.

## **ARTICLE II**

### **NO MEMBERSHIP**

The Corporation shall not have members.

## **ARTICLE III**

### **BOARD OF DIRECTORS**

**SECTION 1 - COMPOSITION.** The power and authority of the Corporation shall be vested in its Board which shall be composed of between three (3) and twelve (12) persons.

**SECTION 2 - ELECTION AND TERM OF DIRECTORS.** The initial Board shall consist of those persons named in the Articles of Incorporation. The initial Board shall be divided into three (3) groups as nearly equal in number as possible. The directors in Group 1 shall serve an initial term of one (1) year, the directors named in Group 2 shall serve an initial term of two (2) years, and the directors named in Group 3 shall serve an initial term of three (3) years each. Thereafter, all directors shall serve terms of three (3) years each. Directors whose terms have expired shall be eligible to succeed themselves.

Except for resignations, removals, or death, each director duly nominated and elected shall hold office until his successor is nominated, elected, and qualified by attending a meeting and being duly recognized and placed on the official records of the Corporation by the Secretary/Treasurer.

**SECTION 3 - RESIGNATIONS AND REMOVAL.** Any director may resign from the Board at any time by giving written notice to the President or the Secretary/Treasurer of the Corporation, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective. Any director may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office.

**SECTION 4 - VACANCIES.** Any vacancy occurring on the Board may be filled by the remaining Board members. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**SECTIONS - COMPENSATION.** Directors shall serve without compensation except that the directors may, in their discretion and by a majority vote of their number, reimburse any or all directors for expenses actually incurred by them in attending meetings or otherwise carrying out their duties to the Corporation. Nothing herein contained shall be construed to

preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

**SECTION 6 - OFFICERS OF THE BOARD OF DIRECTORS.**

A. **Chair.** The Board shall, elect from among its members a Chair who shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. The Chair's term shall be for one (1) year and he may succeed himself.

B. **Vice Chair.** The Board may elect from among its members a Vice Chair who shall preside at all meetings of the Board when the Chair is absent. The Vice Chair's term shall be for one (1) year and he may succeed himself.

**ARTICLE IV**

**MEETINGS OF DIRECTORS**

**SECTION 1 - PLACE AND TIME OF ANNUAL AND REGULAR. MEETINGS.**

The Board shall hold not less than one (1) meeting per year at a designated time and place as determined by the Board at its first meeting. The Annual Meeting of the Board shall be held in the month of May of each year. Special meetings of the Board may be held at the call of the Chair or, in his absence, the Vice Chair or at the call of any two (2) directors. Regular meetings may be held without notice. Special meetings of the Board shall be held upon notice sent by any usual means of communication not less than two (2) days before the meeting.

**SECTION 2 - ATTENDANCE.** Directors shall strive to attend all meetings. However, in no event shall a director be absent for greater than fifty percent (50%) of the meetings of the Board in any year. In the event that a director is absent for greater than fifty percent (50%) of the meetings as described herein, the director may be subject to removal from the Board by the affirmative vote of the Board.



### **SECTION 3 - QUORUM, PROCEDURE, VOTING AND MANNER OF ACTION.**

A. **Quorum.** A quorum of the Board for the transaction of business shall consist of a majority of the directors then in office.

B. **Procedure.** At all meetings of the Board, the Chair, or in his absence, the Vice Chair, or in their absence, a presiding officer chosen at the meeting, shall preside over the transaction of business. The Secretary/Treasurer of the Corporation, or his designee, shall act as Secretary/Treasurer and such Secretary/Treasurer or his designee shall prepare records of all meetings of the Board and maintain the same in the Corporation's principal office.

C. **Voting.** Each director is entitled to one (1) vote on any matter before the Board. Voting by proxy is not permitted. A director who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting, or unless he files his written dissent to such action with the person acting as the Secretary/Treasurer of the meeting before the adjournment thereof, or forwards such dissent by certified mail, return receipt requested, to the Secretary/Treasurer of the Corporation by the second business day after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

D. **Manner of Action.** Unless otherwise required by law, the Articles of Incorporation, or these Bylaws, the act of a majority of the directors present and voting at a meeting at which a quorum is present shall be the act of the Board. Any action required or permitted to be taken by the Board under any provision of law, the Articles of

Incorporation, or these Bylaws may be taken without a meeting if written consent to the action in question is signed by all of the directors and filed with the minutes of the proceedings of the Board, whether done before or after the actions so taken. Such action by written consent shall have the same force and effect as a unanimous vote of the directors.

#### **SECTION 4 - CONFLICTS OF INTEREST.**

A. **Good Faith.** Directors of the Corporation shall exercise good faith in all transactions touching upon their duties to the Corporation and its property. In their dealings with and on behalf of the Corporation, directors are held to a strict rule of honest dealing.

B. **Conflict Raised by Another Member of the Board.** Each director, before taking his position, shall disclose in writing to the Chair a list of all businesses or other organizations of which he is an officer, director, shareholder, member, owner or employee, or for which he acts as an agent and with which the Corporation has or might reasonably in the future enter into a relationship or a transaction in which the director would have conflicting interests.

If any matter should come before the Board or any of its committees in such a way to give rise to a conflict of interest, the affected director shall make known to the Board the potential conflict and shall answer any questions that might be asked him. The Board shall determine whether or not a conflict exists. If the Board determines that a conflict does exist, the affected director shall be excluded from voting.

Any director may raise an issue as to whether or not another director has a conflict of interest with respect to any matter coming before the Board. In such case, the

Board shall decide whether or not a conflict exists. If the Board determines that a conflict does exist, the affected director shall be excluded from voting.

The affected director shall be counted in determining the quorum for the meeting except as provided herein. If the material facts of a transaction and the director's interest were disclosed or known to the Board or a committee of the Board and the Board or committee authorized, approved or ratified the transaction, a quorum is present if a majority of the directors who have no direct or indirect interest in the transaction voted to authorize, approve, or ratify the transaction. A majority of votes, whether or not present, that are entitled to be cast in a vote on a transaction where the material facts of the transaction and the director's interest were disclosed or known to the members of the Board entitled to vote constitutes a quorum; the members entitled to vote on such a transaction shall include all directors except (i) those directors with a direct or indirect interest in the transaction and (ii) those directors who have a material financial interest in another entity or are the general partners of another entity which is a party to the transaction. The minutes of the meeting shall reflect the existence of the conflict, the abstention from voting, and the quorum situation.

Any director may raise an issue as to whether another director's circumstances or situation renders his service on the Board in conflict with the best interests of the Corporation. In any such case, the Board shall determine if such a conflict exists, and what action, if any, should be taken.

C. **Disqualified Director.** The foregoing section shall not be construed as preventing a director from briefly stating his position to the Board concerning the manner in which he has a possible conflict of interest or from answering pertinent questions of

other directors concerning the matter because his knowledge may be of assistance to the Board.

**D. Notice to New Directors.** The Chair of the Board shall advise each new director of this conflicts of interest policy promptly after the new director assumes the duties of his office.

## **SECTION 5 - INDEMNIFICATION.**

### **A. Indemnification Under N.C. Gen. Stat. §55A-8-51.**

(1) Except as provided in subparagraph (4) of this Section 5.A, the Corporation shall indemnify an individual made a party to a proceeding because the individual is or was a director against liability incurred in the proceeding if the individual (a) conducted himself in good faith; (b) reasonably believed (i) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interests, and (ii) in all other cases, that his conduct was at least not opposed to the Corporation's best interests; and (c) in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

(2) A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subparagraph (1) above.

(3) The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of no contest or its equivalent is not of itself determinative that the director did not meet the standard of conduct set forth in subparagraph (1) above.

(4) The Corporation shall not indemnify a director in connection with the proceeding by or in right of the Corporation in which the director is adjudged liable to the Corporation or in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

(5) Indemnification hereunder in connection with a proceeding by or in the right of the Corporation that is concluded without a final adjudication on the issue of liability is limited to reasonable expenses incurred in connection with the proceeding.

(6) The authorization, approval or favorable recommendation by the Board of indemnification as authorized hereunder shall not be deemed an act or corporate transaction in which a director has a conflict of interest and no such indemnification shall be void or voidable on such ground.

**B. Indemnification under N.C. Gen. Stat. §55A-8-52.** The Corporation shall indemnify a director who is wholly successful on the merits or otherwise in the defense of any proceeding to which the director was a party because he is or was a director of the Corporation, against reasonable expenses actually incurred by the director in connection with the proceeding.

**C. Advances Under N.C. Gen. Stat. §55A-8-53.** Expenses incurred by a director in defending a proceeding shall be paid by the Corporation in advance of the final disposition of the proceeding upon receipt of an agreement by or on behalf of the

director to repay such amount unless it is ultimately determined that the director is entitled to be indemnified by the Corporation against such expenses.

**D. Court-Ordered Indemnification Under N.C. Gen. Stat. §55A-8-54.** A director of the Corporation who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. The court may order indemnification if it determines that (i) the director is entitled to mandatory indemnification under N.C. Gen. Stat. §55A-8-52, in which case the Corporation shall also pay the director's reasonable expenses incurred to obtain court-ordered indemnification, or (ii) the director is fairly and reasonably entitled to indemnification in whole or in part in view of all the relevant circumstances, whether or not the director met the standard of conduct set forth in N.C. Gen. Stat. §55A-8-51 or was adjudged liable as described in N.C. Gen. Stat. §55A-8-51(d), but if the director is adjudged so liable, such indemnification is limited to reasonable expenses incurred.

**E. Determination and Authorization of Indemnification Under N.C. Gen. Stat. §55A-8-55.**

(1) The Corporation shall not indemnify a director under N.C. Gen. Stat. §55A-8-51 unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because the director met the standard of conduct set forth in N.C. Gen. Stat. §55A-8-51. The determination shall be made by the Board by a majority vote of a quorum consisting of directors not at the time parties to the proceeding. If such a quorum cannot be obtained, such determination thereupon shall be made by a majority vote of a committee duly designated by the Board (in which designation

directors who are parties may participate), consistently solely of two (2) or more directors not at the time parties to the proceeding. If the foregoing two (2) methods of determination cannot be made, then such determination shall be made by special legal counsel selected by the Board or a committee in the manner prescribed herein, or if a quorum of the Board cannot be obtained and a committee cannot be designated, then selected by a majority vote of the full Board in which selection directors who are parties may participate.

(2) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled to select counsel hereunder.

**F. Indemnification of Officers, Employees, and Agents Under N.C. Gen. Stat. §55A-8-56.** An officer, employee, or agent of the Corporation is entitled to indemnification under this subsection to the same extent as a director. The Corporation shall advance expenses to an officer, employee, or agent of the Corporation to the same extent as to a director.

**G. Immunity from Civil Liability.** Directors and officers of the Corporation shall be immune from civil liability for monetary damages arising out of their service as such to the fullest extent authorized by law, including but not limited to that immunity authorized by N.C. Gen. Stat. §§55A-2-02(b)(4), and 55A-8-60, or any successor provisions of law.

## ARTICLE V

### COMMITTEES OF THE BOARD OF DIRECTORS

#### SECTION 1 - EXECUTIVE COMMITTEE.

A. **Designation.** There may be an Executive Committee of two (2) directors, if authorized by resolution of the Board.

B. **Meetings.** The Executive Committee may meet at stated times or upon written notice to all members of the Executive Committee.

C. **Authority.** During intervals between meetings of the Board, and except as limited by resolution of the Board or by law, the Executive Committee shall and may exercise all of the authority of the Board in the management of the Corporation.

D. **Membership and Vacancies.** The members of the Executive Committee shall at all times include the Chair of the Board of the Corporation and the Vice Chair of the Board of the Corporation. The remaining members of the Executive Committee shall be appointed by the Chair of the Board of the Corporation and the Vice Chair of the Board of the Corporation, and approved by the majority of all directors in, office. Vacancies in the membership of the Executive Committee may but need not be filled by the Board at any regular meeting or at a special meeting called for that purpose. The membership of the Executive Committee may be changed or the Executive Committee may be dissolved by the Board at any annual meeting or by a special meeting called for that purpose.

E. **Minutes.** The Executive Committee shall keep regular minutes of its proceedings and shall report the same to the Board when. requested.



**SECTION 2 - ADVISORY COMMITTEES.** The Board may create advisory committees from time to time. The advisory committees shall be appointed by the Chair of the Board and approved by a majority of all directors in office. The advisory committee shall include two (2) or more directors. Advisory committees shall not exercise the authority of the Board and shall serve only in an advisory capacity.

**SECTION 3 - STANDING AND SPECIAL COMMITTEES.** The Board may authorize such standing and special committees as are necessary and proper to carry on the affairs of the Corporation. The resolution of creation must designate the authority of the Board which the committee may exercise, as well as any limitations thereon, and the functions that the committee shall discharge. Members of such standing committees as may be authorized shall be appointed by the Chair of the Board and approved by a majority of all the directors in office. Only directors of the Corporation may serve as voting members or the Chair of such special or standing committees as may be authorized.

**SECTION 4 - GOVERNING PROVISIONS.** Meetings, action without meeting, notice and waiver of notice, and quorum and voting requirements of the Board apply to committees, as well as the members of those committees.

## **ARTICLE VI**

### **OFFICERS OF THE CORPORATION**

**SECTION 1 - OFFICERS AND ELECTION.** The Board shall elect by majority vote a President, a Vice President and a Secretary/ Treasurer for the term of one (1) year or until their successors have been appointed, each of whom shall take office after the close of the Annual Meeting of the Board at which he is elected as such. The Board may elect such additional officers and assign to such officer(s) such duties or responsibilities as the Board may deem

necessary or appropriate. Officers shall be eligible to serve unlimited terms of one (1) year each. Officers may delegate and supervise the performance of their duties as necessary; provided, however, that the delegation and supervision of an officer's duties will not alter the officer's obligation to discharge his duties in good faith, with the care of a reasonably prudent person in a like position under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of the Corporation.

**SECTION 2 - PRESIDENT.** The President shall serve as the principal officer of the Corporation in the overall management of the business and operation thereof. The President shall act as the duly authorized representative of the Corporation in all matters, except those in which the Board has formally designated some other person or group to act, and he shall have and exercise the authority that may be delegated to him by the Board and these Bylaws.

**SECTION 3 - VICE PRESIDENT.** The Vice President shall serve in the absence of the President of the Corporation and shall further have such duties and responsibilities as may be assigned to him by the President.

**SECTION 4 - SECRETARY/TREASURER.** The Secretary/Treasurer or his designee shall have custody of the business records of the Corporation, including the minutes and organizational documents of the Corporation, and shall maintain the same in accordance with the standards established by the Board. The Secretary/Treasurer may sign with the President, in the name of the Board, all contracts, agreements, and other obligations authorized to be executed by the Board. The Secretary/Treasurer shall keep an accurate list of the members of the Board and, in general, shall perform all such acts as may be prescribed by the Board and as are usually incident to the office of Secretary/Treasurer. Assistant Secretary/Treasurers may be elected by the Board as the Board deems appropriately necessary to assist the Secretary/Treasurer or to

assume the duties of the Secretary/Treasurer in the Secretary/Treasurer's absence. The Secretary/Treasurer or his designee shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such depositories as shall be selected by the Board; (b) maintain appropriate accounting records as required by law; (c) prepare, or cause to be prepared, annual financial statements of the Corporation that include a balance sheet as of the end of the fiscal year and an income and cash flow statement for that year; and (d) in general perform all of the duties incident to the office of the Secretary/Treasurer and such other duties as from time to time may be prescribed by the President or the Board.

**SECTION 5 - VACANCIES.** Vacant offices shall be filled by the act of a majority of directors present at a meeting of the Board at which a quorum is present.

**SECTION 6. - REMOVAL OF OFFICERS.** Any officer or agent elected or appointed by the Board may be removed by majority vote of the Board when, in the Board's judgment, the best interests of the Corporation will be served thereby.

**SECTION 7 - BONDS.** The Board may, by resolution, require any officer, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position and to comply with such other conditions as may from time to time be required by the Board. The premiums for all such bonds shall be paid by the Corporation.

## ARTICLE VII

### CONTRACTS, LOANS, CHECKS AND DEPOSITS

**SECTION 1 - CONTRACTS.** The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

**SECTION 2 - LOANS.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

**SECTION 3 - CHECKS AND DRAFTS.** All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

**SECTION 4 - DEPOSITS.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board may select.

## ARTICLE VIII

### GENERAL PROVISIONS

**SECTION 1 - WAIVER OF NOTICE.** Whenever any notice is required to be given to any director or other person under the provisions of these Bylaws, the Articles of Incorporation, or by applicable law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time such notice is due, shall be equivalent to the giving of such notice.

**SECTION 2 - SEAL.** The seal of the Corporation shall be circular in form and shall bear the words Rightchange.com ll and, in the center, "Corporate Seal".

**SECTION 3 - FISCAL YEAR.** The fiscal year of the Corporation shall end on the last day of the month of December of each year.

**SECTION 4 - AUDITORS.** The Board may, in its discretion, employ a certified public accountant to (i) audit the books of the Corporation for each fiscal year of the Corporation and at such other time or times and for such periods as the Board may deem advisable, and (ii) furnish certified reports on such audits.

**SECTION 5 - PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS.** No officer, director or employee of, or member of a committee of, or person connected with the Corporation, or any other private individual shall receive at any time any of the net earnings or pecuniary profits from the operations of the Corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as shall be fixed by the Board. No such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All directors and officers of the Corporation shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board shall be distributed in such amounts as the Board may determine, or as may be determined by a court of competent jurisdiction upon application of the Board, in the manner set forth in the Articles of Incorporation and these Bylaws.

**SECTION 6 - AMENDMENTS.** These Bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the directors then in office at any regular or special meeting of the Board, provided that prior written notice has been given to all members of the Board at least one (1) week in advance of the meeting.

**SECTION 7 - GENDER.** Throughout these Bylaws, whenever the context requires or permits, the masculine gender shall be deemed to include the feminine, the neuter gender shall be deemed to include the masculine and the feminine, and the singular shall be deemed to include the plural and vice versa.

## **ARTICLE IX**

### **EXEMPT ACTIVITIES**

Notwithstanding any other provision of these Bylaws, no director, officer, employee, or other representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken by an organization exempt under §501(c)(4) of the Code and the regulations thereunder, as they now exist or as they may hereafter be amended.